



EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

December 9, 2011

The Honorable Shan Tsutsui, President
and Members of the Senate
Twenty-Sixth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Calvin Say, Speaker
and Members of the House
Twenty-Sixth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say, and Members of the Legislature:

For your information and consideration, I am transmitting herewith two (2) copies of the Department of Accounting and General Services' Annual Report on the Wireless Enhanced 911 Board for the period July 1, 2010 through June 30, 2011. Pursuant to section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at <http://www.hawaii.gov/dags/rpts>.

Sincerely,

NEIL ABERCROMBIE
Governor, State of Hawaii

Enclosures

bc: Lieutenant Governor's Office
Legislative Reference Bureau
Legislative Auditor
Department of Budget and Finance
Hawaii State Library
University of Hawaii Hamilton Library

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
ANNUAL REPORT ON
THE ENHANCED 911 BOARD
FOR THE PERIOD
JULY 1, 2010 THROUGH JUNE 30, 2011

SUBMITTED TO
THE TWENTY-SIXTH STATE LEGISLATURE
IN RESPONSE TO SECTION 138-6, HAWAII REVISED STATUTES

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
ANNUAL REPORT ON THE ENHANCED 911 BOARD
FOR THE PERIOD FROM JULY 1, 2010 THROUGH JUNE 30, 2011

Pursuant to Section 138-6, HRS, the Enhanced 911 Board (the Board) is required to submit an annual report to the legislature no later than twenty days prior to the convening of each regular session. The Enhanced 911 Fund is comprised of monthly surcharges imposed on every commercial mobile radio service connection. For the purposes of this report, the Enhanced 911 Fund will be referred to as "the Fund," the Public Safety Answering Points as "PSAPs", and the Wireless Service Providers as "WSPs."

The following is a summary of the E911 Fund Receipts and Disbursement:

E911 Special Fund
Summary of Cash Receipts & Disbursements
For 12 months ending June 30, 2011

| Description | Amount |
|--|-------------|
| Cash Receipts: | |
| WSP Surcharge Collections | \$8,285,183 |
| Interest Income | 8,758 |
| | |
| Total Receipts | 8,293,941 |
| | |
| Disbursements: | |
| PSAP Reimbursements | 7,353,789 |
| DB&F Assessments(Revenue/Admin) | 720,491 |
| Consulting | 322,525 |
| WSP Cost Recovery | 231,251 |
| Board Member Travel (interisland) | 19,744 |
| Other Board Admin. Expenses | 6,420 |
| Total Disbursements | 8,654,220 |
| | |
| Total Net Cash Receipts/(Disbursements) | (360,279) |
| | |
| Note: Total encumbrances amounting to \$5,388,983 are included in total disbursements. | |

This report includes the following information:

1. The total aggregate surcharge and interest collected by the Fund in the last fiscal year for the period of July 1, 2010 to June 30, 2011, amounted to \$8,293,941.
2. The total disbursements from the fund amounted to \$8,654,220.

3. The recipient of each disbursement and a description of the project for which the money was disbursed:

| Amount | Description of Expenditure | Payee |
|---------------|--|-------------------------------------|
| | <i>PSAP REIMBURSEMENTS:</i> | |
| \$143,088 | Tariff, network and equipment costs from Hawaiian Telcom necessary to receive enhanced 911 calls by the PSAPs from the HawTel switching equipment for all counties. | Hawaii, Maui, Kauai and Oahu PSAPs |
| \$1,965,723 | Pictometry Licensing Agreement- Pictometry software is a powerful tool for the responder which provides detailed imagery for every square foot of a region and can navigate quickly and easily between views of a map to images associated with it specific features contained within images such as doors, manholes, fences, and fire hydrants. With this capability, responders may be directed to the emergency in the most direct route and in the case of high rise buildings, the software will acknowledge any obstacles that may impede a rapid response. | Hawaii, Maui, Kauai and Oahu PSAPs |
| \$7,539 | EMS tower lease and network connection between the EMS facility at the Airport to the City's data center at Fasi Municipal Building to connect the EMS PSAP with other Oahu PSAPs in the sharing of data and information | Oahu PSAP |
| \$101,083 | Computer Hardware and Software required to support the receipt and dispatch of wireless 9-1-1 calls and related data. | Maui and Oahu PSAP |
| \$3,800,000 | Computer Aided Dispatch (CAD) upgrades, maintenance and equipment required to dispatch wireless 9-1-1 calls | Hawaii, Maui and Oahu PSAPs |
| \$106,245 | Conference registration, travel and lodging for various 9-1-1 related associations to provide the PSAPs education, knowledge and networking | Hawaii, Maui, Kauai and Oahu PSAPs. |

| | | |
|-------------|---|------------------------------------|
| | opportunities to stay abreast of 9-1-1 technology and operational advances | |
| \$4,788 | Training relative to the use and operation of various equipment related to the receipt and delivery of wireless 9-1-1 calls to include overtime pay for the 9-1-1 call takers while attending classes. | Oahu PSAP |
| \$1,201,797 | Program Mgt. Consulting Services- Akimeka, LLC provides continued Wireless E911 Program Management Services and Geographic Information Systems Services for the neighbor island counties of Hawaii, Maui and Kauai. The services rendered include: <ol style="list-style-type: none"> 1. Program mgmt. support. 2. PSAP Day-to-Day Operational support. 3. Geographic Information System (GIS) services. 4. Master Street Address Guide (MSAG) services. 5. Database synchronization. Benefits include: <ol style="list-style-type: none"> 1. Up-to-date location information on emergency calls received by the respective dispatch center. 2. Current GIS information. 3. Coordination for implementation and testing of new additions to the network with wireline, wireless, VoIP and Telemetrics service providers. 4. Dealing with only one company with which to coordinate activities and issues. | Hawaii, Maui, Kauai and Oahu PSAPs |
| \$23,526 | GeoComm GIS Mapping Maintenance | Oahu PSAP |
| | | |
| | | |
| \$7,353,789 | Total PSAP Reimbursements | |
| | | |
| | | |

| | | |
|-----------|--|---|
| | Board Administrative Expenses | |
| | | |
| \$325,000 | Executive Director E911- The ED was approved by the Board of Directors in order to provide essential support to the Board which includes: <ol style="list-style-type: none"> 1. Accounting. 2. WSP revenue collection services. 3. Banking relations. 4. Drafting legislation. 5. Board and Committee Agendas and minutes. 6. Supervising audits. 7. Approved cash disbursements. 8. Record keeping. 9. Creating and maintaining E911 website. 10. Provide expert counsel on E911 issues. 11. Budget and Planning. | TKC Consulting Group, LLC |
| \$(2,475) | Intrado Consulting Services- refund of partial fee. | Intrado |
| \$322,525 | Total Consulting Expenses | |
| | | |
| \$720,491 | The Dept. of Budget & Finance Revenue and Administrative Assessments are authorized under §36-27 & §36-30, HRS. | Director of Budget and Finance, State of Hawaii |
| | | |
| \$231,251 | WSP Cost Recovery. §138-5, HRS, requires that 1/3 of the net proceeds of the WSP surcharge revenue (after Board administrative expenses) are to be set aside for potential cost recovery claims by the WSPs. | Sprint/Nextel |
| \$6,420 | Executive Director Conference Expenses to include registration, travel and lodging for various 9-1-1 related associations to provide the Executive Director with education, knowledge and networking opportunities to stay abreast of 9-1-1 technology and operational advances | TKC Consulting Group, LLC |
| | | |

| | | |
|-------------|---|------------------------|
| \$19,744 | Board & Committee member interisland travel to Oahu scheduled meetings | Reimbursed to traveler |
| \$1,300,431 | Total Board Administrative Expenses | |
| | | |
| \$8,654,220 | Total Disbursements | |

4. *The conditions, if any, placed by the Board on disbursements from the fund.*

The Board has implemented policies and procedures for PSAPs and WSPs seeking reimbursements from the Fund. The Board requires copies of all invoices for which the recipient is seeking reimbursement, and the appropriate committees on the Board must approve the request before the Board approves the invoice for payment. The approved disbursement check must be signed by the Board Chair or his designee and another approved signatory. These policies and procedures can be viewed by the public on-line at the Board's website, www.hawaiiwirelesse911.hawaii.gov.

5. *The planned expenditures from the fund in the next fiscal year are as follows:*

**Enhanced 911
FY 2012 Estimated Expenditures**

| DESCRIPTION | AMOUNT |
|---|---------------------|
| Board Administrative Reimbursements: | |
| DB&F Rev. Assessment (\$36-27,HRS) | \$410,000 |
| DB&F Admin. Assessment (\$36-30,HRS) | 374,000 |
| Executive Director Contract | 325,000 |
| Conference Expenses for Executive Director | 42,000 |
| Board Expansion Expenses (Act 168 (11)) | 75,000 |
| Financial Audit | 10,000 |
| Board & Committee members interisland travel to attend scheduled meetings | 24,050 |
| PSAP Reimbursements | 12,191,815 |
| WSP Reimbursements (\$138-5,HRS) | 160,000 |
| | |
| Total | \$13,611,865 |

6. *The amount of any unexpended funds carried forward for the next fiscal year.*

The amount of unencumbered funds carried forward for the next fiscal year amounts to \$7,639,494 as calculated below:

| Description | Amount |
|-------------------------------------|--------------|
| Beginning Cash Balance (7/1/10) | \$8,384,876 |
| Revenues | 8,293,941 |
| Subtotal Cash Receipts | \$16,678,817 |
| Less Disbursements | (3,650,340) |
| Cash Balance (6/30/11) | 13,028,477 |
| Encumbrances | (5,388,983) |
| Unencumbered Cash Balance (6/30/11) | \$7,639,494 |

7. *Cost study to guide the Legislature towards necessary adjustments to the fund and the monthly surcharge.*

The E911 Strategic Budget Plan calls for the following expenditures over 6 years:

A majority of the E911 strategic budget plan is necessary to modernize the current voice-based 9-1-1 systems aging equipment and software in order to meet or exceed the PSAP public safety goals and the continuing training needs of the PSAPs to keep abreast of technological changes.

The State of Hawaii is part of the national movement to transition to Next Generation 911 system to significantly improve emergency response, saving lives and reducing property damage. NG9-1-1 enables the public to send texts, photos, videos, and other data to 9-1-1 centers just as the public is able to communicate with each other today.

Due to the uncertainty associated with the transition to this new emergency response system and the increased revenue collections due to the enactment of Act 168(11), we recommend the existing rate remain at the current level for the fiscal year.

8. *A progress report of jurisdictional readiness for Enhanced 911 services, including public safety answering points, wireless providers, and wireline providers. The report shall include the status of requirements outlined in the FCC Order 94-102 and subsequent supporting orders related to phase I and Phase II Enhanced 911 services.*

All requirements of FCC Order 94-102 have been met by the Public Safety Answering Point (PSAPs), Wireless Service Providers (WSPs) and the Local Exchange Carrier (LEC). The State of Hawaii is currently Phase II capable throughout the state and each PSAP has the capability to make use of the data elements being transmitted by the WSPs and delivered by the LEC. All WSPs (AT&T, Mobi-PCS, Nextel, Sprint, T-Mobile, and Verizon) are providing Phase II services in all Counties and Jurisdictions.

and are only limited by coverage, RF interference, and terrain anomalies. The State of Hawaii Enhanced E911 Board made a monumental decision to deploy its wireless 911 service directly to Phase II capability. The WSPs continue to expand their existing networks by adding additional sites in each of the Jurisdictions at a steady pace. Some of the WSPs have doubled the number of communications sites and sectors on the Neighbor Islands since the original deployment of the Phase II service. Advancements in technology in the wireless industry have also placed demands on the PSAPs by WSPs deploying new and improved networks that support broadband capabilities such as the wireless 3G networks deployed by most of the WSPs.

The State of Hawaii Wireless 911 service has graduated from a wireless Phase II deployment phase to Wireless Phase II maintenance and Enhanced 9-1-1 expansion phase. This wireless maintenance and expansion phase has opened the door for the PSAPs to start receiving New and Emerging Technology 911 services such as Voice over Internet Protocol (VoIP) and Telematics emergency services. These new 911 services are already being delivered to the PSAPs and must be addressed in an expeditious manner to keep pace with the demands for Enhanced 911 response and dispatch by the PSAPs.

The Wireless E911 Board is now the Enhanced 9-1-1 Board with the passage of HB 1000 and the Governor signing Act 168 (11) into law June 27, 2011. This established a single entity to administer enhanced 9-1-1 services for the State along with expanding board membership. The broadening of scope for the Enhanced 911 Board's responsibilities provides the leadership to improve and modernize the current 9-1-1 system improving emergency response, saving lives and reducing property damage.

GLOSSARY OF TERMS

ALI – Automatic Location Identification
CAD – Computer Assisted Dispatch
CDMA – Code Division Multiple Access
CML – Cache Meta Language
GIS – Geographic Information Systems
GSM – Global System for Mobile
iDEN – Integrated Digital Enhanced Network
LEC – Local Exchange Carrier
NG9-1-1 – Next Generation 9-1-1
PSAP – Public Safety Answering Point
VoIP – Voice over Internet Protocol
WBB – Wireless Broadband
WSP – Wireless Service Provider